

# Bryn Mawr College

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## *Credit Card Program Policy*

### **Policy Statement**

The Bryn Mawr College credit card program has been created to handle most types of purchases for College operations. Within the limits of this policy, cardholders can initiate transactions in person, by telephone or via the internet. This credit card program eliminates the need for most purchase orders, check requests, and other paperwork; expedites delivery of goods; and provides quick payment to the vendor. Cardholders have online access to their account activity and will control allocation of charges to departmental accounts and will add descriptions to individual transactions.

The Controller's Office is responsible for the administration of the College's credit card program.

This policy and related forms are available at <http://www.brynmawr.edu/controller/>.

### **OBTAINING A CREDIT CARD**

**Eligible Cardholders:** Faculty and staff with the appropriate approvals may obtain a credit card.

**Application:** To obtain a Credit Card Application/Change form and instructions visit <http://www.brynmawr.edu/controller/>. Complete the application in full before forwarding to the Controller's Office.

**Authorized Approval:** Credit Cards are issued to individuals. All applications must be authorized by the appropriate departmental budget supervisor.

**Activating Your Card:** The Controller's Office will contact the cardholder when the new card is available. All cardholders are required to attend a brief orientation class prior to activation of their card. At that time, the cardholder must review and sign the Cardholder Agreement. The card will be activated immediately following orientation.

### **CARDHOLDER RESPONSIBILITIES**

**Authorized Use:** The purchase of goods or services for the College and directly related to the cardholders employment responsibilities at the College.

The following credit card purchases are not permitted:

- Purchase of items for personal use
- Purchase of restricted commodities or services such as cash advances or gambling expenses
- Use of the card by anyone other than the authorized cardholder
- Purchase of goods or services for which a College contract exists (computers, copiers, equipment maintenance etc.)

Although the card controls are designed to automatically limit unacceptable usage, it is the cardholders' responsibility to be aware of College policies to ensure that all purchases conform to these policies.

If the cardholder violates the credit card policy and procedures, the cardholder may be subject to a warning letter, suspension of card privileges, card cancellation, or other disciplinary action by the College.

**Sales Tax:** Bryn Mawr College is exempt from Pennsylvania sales tax on goods purchased for College use. The College is also sales tax exempt in other states. Cardholders are responsible for informing the vendor of the College's sales tax exemption. The College's sales tax exemption number is printed on the face of the credit card for the cardholders' convenience.

**Charges:** The cardholder is responsible for all charges made on the card. A cardholder who makes unauthorized purchases may be liable for the total dollar amount of such purchases, plus additional costs incurred in connection with the misuse.

**Card Security:** It is the cardholders' responsibility to safeguard the credit card and account number to the same degree that a cardholder safeguards his/her personal credit information. The cardholder must not allow anyone to use his/her account number or card.

Charges to the card may be placed in person, by phone or via the internet. Under no circumstances should a card number be written on a fax order. If you need to fax an order, request that the vendor phone you to receive your credit card number.

**Lost, Stolen, or Compromised Card:** If the card is lost or stolen or if the card has been compromised in any way, the Cardholder must immediately notify the Bank's Customer Service at 1-888-449-2273. The Bank's Customer Service Representatives are available 24 hours a day, 7 days a week. The College may be responsible for fraudulent charges if there is not timely notice of a lost or stolen card. A new card shall be promptly issued to the cardholder after the reported loss or theft.

The cardholder should then notify the Controller's Office by telephone 610-526-5262 or by e-mail [bmc\\_creditcard@brynmawr.edu](mailto:bmc_creditcard@brynmawr.edu). A card that is subsequently found by the cardholder after being reported lost or stolen should be cut in half and returned to the Controller's Office.

To replace a damaged card, contact the Controller's Office directly.

**Recordkeeping:** Whenever a credit card purchase is made whether over the counter, over the phone, or over the internet, documentation must be retained as proof of the purchase. Such documentation will be used to verify the purchases listed on the cardholder's monthly statement of account. Charges for which there are no receipts may be considered taxable income to the cardholder according to IRS regulations.

Original documentation must be provided as support for all credit card charges. Documentation includes original sales receipts, packing slips, on-line order confirmations, invoices, cash register tapes, credit card slips, etc. Proper records are critical to enable audit substantiation. If proper recordkeeping is not met, credit card privileges may be revoked. The careful matching of complete support documentation by the cardholder to the monthly statement is vital to the success of this program.

An e-mail is sent to the cardholder when monthly account activity is ready to be reviewed, allocated, approved, and submitted prior to posting. At that time all charges must be reviewed and verified. Cardholders will have 10 days from receipt of the e-mail to reconcile their accounts for the month and forward the completed package to the departments' administrative assistant for entry into the online system.

**Disputed Charges:** Each cardholder is responsible for resolving disputes directly with the merchant. Your first step is to contact the merchant to resolve the problem. If the cause for dispute occurs after the current billing cycle, contact the bank Claims Department at 1-866-601-9488.

**Credits and Returns:** The cardholder is responsible for ensuring that returns and their associated credits have been properly reflected on the monthly statement. The charge transaction will be processed in the month that it occurred and the credit processed the following month or when it is received. At no time may a cardholder request a refund check from the bank.

If purchased items or credits do not appear on the monthly statement within 60 days after the date of the transaction, the cardholder shall notify the Controller's Office.

**Rebates:** If a rebate is associated with a College credit card transaction, it is the cardholder's responsibility to deposit the full amount of the rebate against the account which was charged with the initial purchase. In addition, any gift cards or other incentives received as a result of a credit card purchase should be used for College purposes. All supporting documentation should be retained by the cardholder as per the credit card policy.

## **DEPARTMENTAL RESPONSIBILITIES**

**Approval of Monthly Cardholder Purchases:** Each cardholder is responsible for maintaining adequate documentation of purchases. The cardholder shall review card activity each month to assure that all charges listed were approved and accurately posted. The department head is responsible for ascertaining that all listed expenditures were made for College business. Each card will have the cardholder's default budget account number assigned. Online account management allows authorized faculty and staff members to allocate each charge to an account other than the default account during the reconciliation period each month, if necessary.

**Verified and Signed Reports:** The department head shares responsibility with the cardholder for signing a summary report of transactions each month and forwarding the signed report, with all original supporting documentation, to the Controller's Office. The statement should be signed and dated by both the cardholder and the department head. The signatures indicate that the purchases are approved, that the cardholder was authorized to make the purchases, and that the purchases were made in accordance with College policy.

**Cardholder Separation:** Prior to separation from the College, the cardholder shall surrender the credit card and the current month's supporting documentation to his/her department head. The department head immediately should notify the Controller's Office to cancel the card and indicate that the cardholder has separated from the College; the card should be cut in half and sent to the Controller's Office. The department head is responsible for review of the final card statement.

**Cardholder Absence:** Should the cardholder be unable to approve his/her monthly statement for an extended period of time, it is the responsibility of the cardholder's department head to complete the monthly recordkeeping, including the review and approval of the monthly statement during the reconciliation period.

## **CONTROLLER'S OFFICE RESPONSIBILITIES**

**Audit:** The Controller's Office will conduct regular audits of card activity. The audit will entail review of documentation for activity and timeliness of reporting during the prior three to twelve month period for the cards selected.

**Card Issuance:** The Controller's Office will issue cards to properly authorized individuals upon receipt of completed applications form(s).

**Card Controls and Changes:** Each card is issued with certain vendor and dollar restrictions. The Controller's Office is responsible for any changes to those controls. The appropriate budget supervisor needs to update the Application/Change form to request any changes to a cardholder's controls.

In certain circumstances, a cardholder may need to contact the Controller's Office directly by phone for temporary changes. This may occur when trying to complete a particular transaction or if dollar limits are exceeded due to unforeseen circumstances. In such cases the Controller's Office may allow temporary or one-time changes to card controls without written approval from the budget supervisor.

**Card Deactivation:** The Controller's Office will permanently close card accounts upon notification of the cardholder's severance from the College.

After six or more months of card inactivity, cards may be inactivated. Inactivated cards can be reactivated by contacting the Controller's Office.

With notice of administrative or personal misuse of the card, the Controller's Office will either disable or cancel the card as directed.

**Customized Controls:** Embedded into the card are default controls that have been put in place by the Controller's Office based on College policies and procedures. These controls cover transactions that will be declined if the cardholder attempts to complete a transaction for unallowable goods and services or for any type of cash advance or ATM transaction.

Limits may also be set for spending for groups of cardholders, or for spending within certain merchant categories. Transactions that are attempted and fall outside of these limitations will be declined at the point of sale.

Cardholder status changes, including all of the above controls, are considered "routine cardholder maintenance" and can be updated by the Controller's Office upon request.

Online access is available to the individual card holder as well as a departmental designee for the purpose of reviewing, allocating and approving transactions and creating reports.